

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD A JOINT VDOT 6-YEAR SECONDARY CONSTRUCTION AND BUDGET WORK SESSION MONDAY, MARCH 25, 2013 @ 2:00 P.M., IN THE BOARD MEETING ROOM LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, SUITE 110, B-75 CONFERENCE ROOM, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: David Cundiff, Chairman  
Cline Brubaker, Vice-Chairman  
Leland Mitchell  
Bob Camicia  
Ronnie Thompson  
Bobby Thompson  
Charles Wagner

OTHERS PRESENT: Richard E. Huff, II, County Administrator  
Christopher Whitlow, Asst. Co. Administrator  
Larry Moore, Asst. Co. Administrator  
Sharon K. Tudor, MMC, Clerk

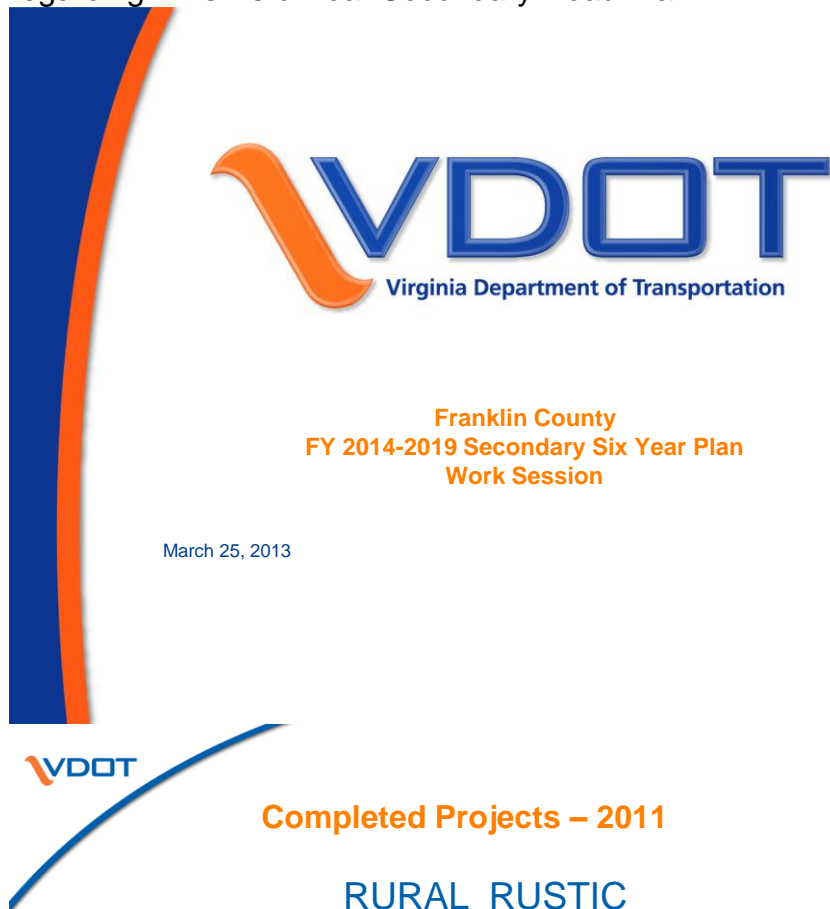
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David Cundiff, Chairman, called the meeting to order.

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### **VDOT- 6-YEAR SECONDARY ROAD WORK SESSION**

Todd Daniel, Resident Administrator, share with the Board the following PowerPoint Presentation regarding VDOT's 6-Year Secondary Road Plan:



- Route 709 – Blue Bend Road
- Route 728 – Leaning Oak Road
- Route 783 – Endicot Hill Road
- Route 970 – Wright Road
- Route 643 – Adney Gap Road
- Route 732 – Blankenship Road
- Route 682 – Valley View Road



### Completed Projects – 2012

#### RURAL RUSTIC

- Route 931 – Fralins Road
- Route 709 – Blue Bend Road
- Route 728 – Leaning Oak Road

#### RURAL ADDITION

- Route 1068 – Big Oak Lane

3



### RTE 728 – Leaning Oak Road



4



### Projects Under Construction

- RTE 687 - Alean Road
- RTE 927 - Iron Bridge Road

### Upcoming Projects for 2013

#### Rural Rustic

- RTE 839 – Greenhouse Road
- RTE 672 - Inglewood Road

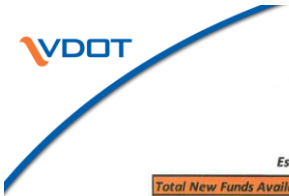
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RTE 672 – Inglewood Road



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Distribution of Funds Available for Construction

Estimated (in millions)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019*	Total
Total New Funds Available for Construction	\$ 205.0	\$ 312.0	\$ 472.3	\$ 613.7	\$ 634.0	\$ 655.6	\$2,892.6
CPR Bonds	161.2	-	-	(13.6)	(13.6)	(13.6)	120.6
Total Funds Available for Formula Distribution	43.8	312.0	472.3	627.2	647.6	669.1	2,772.1
CTB Formula Distribution	43.8	312.0	472.3	500.0	500.0	500.0	2,328.1
25 percent to bridge reconstruction and rehabilitation;	25.00%	10.9	78.0	118.1	125.0	125.0	582.0
25 percent to advancing high priority projects statewide;	25.00%	10.9	78.0	118.1	125.0	125.0	582.0
25 percent to reconstructing deteriorated interstate and primary system pavements	25.00%	10.9	78.0	118.1	125.0	125.0	582.0
15 percent to projects undertaken pursuant to the PPTA	15.00%	6.6	46.8	70.8	75.0	75.0	349.2
5 percent to paving unpaved roads carrying more than 200 vehicles per day	5.00%	2.2	15.6	23.6	25.0	25.0	116.4
5 percent to smart roadway technology.	5.00%	2.2	15.6	23.6	25.0	25.0	116.4
Construction Formula Total	-	-	-	127.2	147.6	169.1	444.0
Unpaved	5.67%	-	-	-	7.2	8.4	25.2
Primary	40.00%	-	-	-	48.0	55.7	167.5
Secondary	30.00%	-	-	-	36.0	41.8	125.6
Urban	30.00%	-	-	-	36.0	41.8	125.6

\* Projected

7



What do we add to the plan?

8



Various Program Information

Rural Rustic  
Rural Addition  
Revenue Sharing

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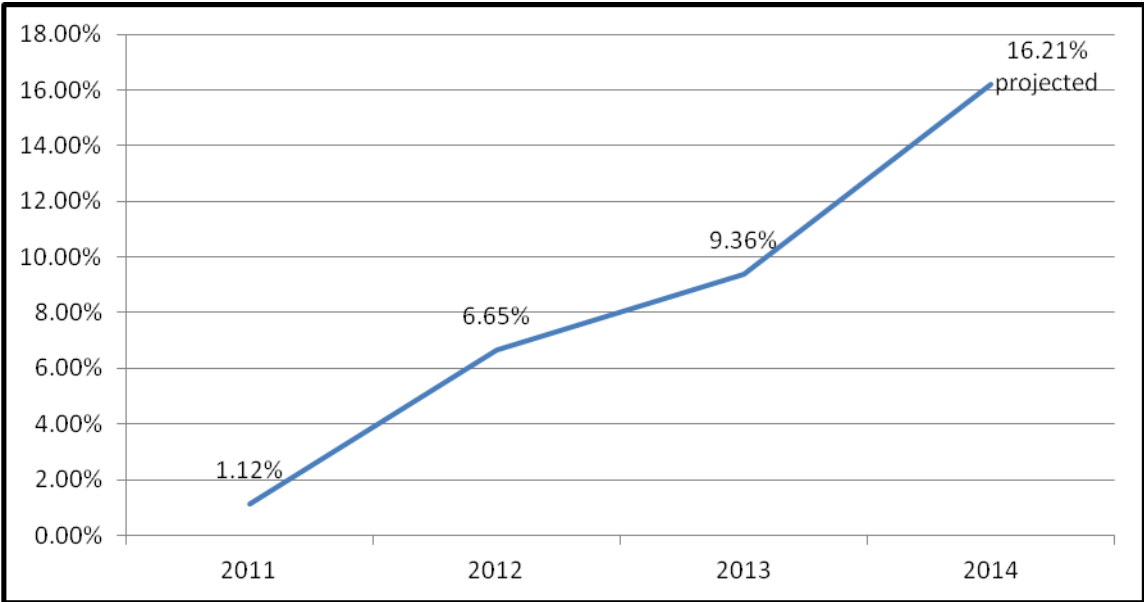
General discussion ensued regarding different roads within the County and the possible new funding to come.

Each Board member will formulate a priority listing from their district for consideration for the proposed 6-Year Projects and will forward their compiled listing to Lisa Cooper, Long Range Planner, and will then meet with VDOT for advertising the 6-Yr. Secondary Construction Road Plan.

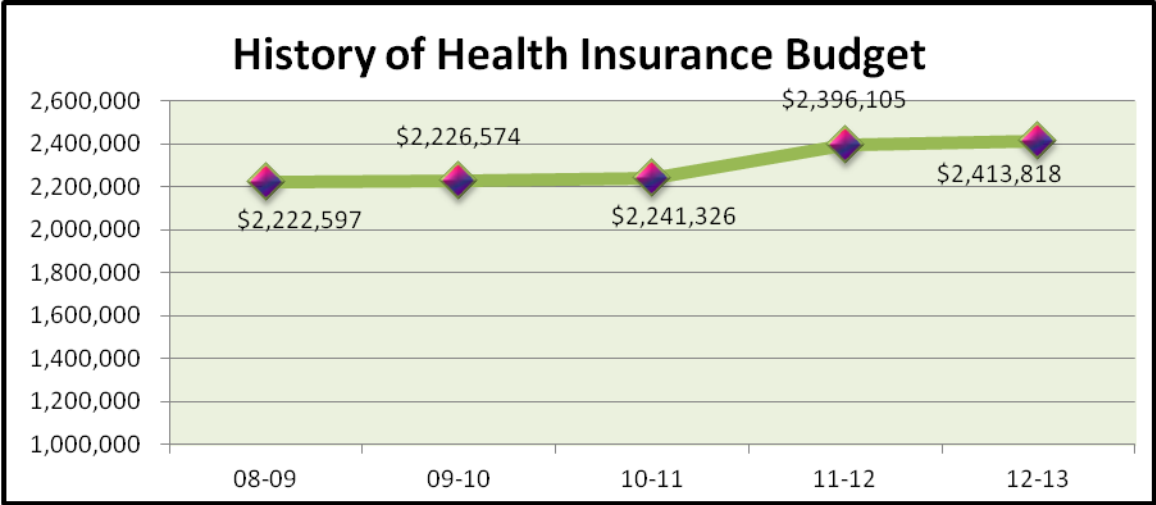
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**HEALTH INSURANCE FOLLOW-UP**

Chris Whitlow, Assistant County Administrator, stated during the last few years, County health insurance costs have continued to escalate with some significant percentage increases. Such increases can be attributed to both claims experience and market trends resulting from changes in the Affordable Healthcare Reform Act. The County has seen annual percentage increases in its health insurance costs during previous, current, and projected fiscal years as indicated on the chart below.



The County’s budgetary costs for insurance have therefore risen significantly as noted on the chart below.



As a result of such increases, the County has taken some steps to lessen the cost impact to both the County and its employees.

**Step 1**

Last spring, the County recognized its plan (KeyCare 15) was no longer financially sustainable, and therefore offered employees two plans: KeyCare 15 and KeyCare 25/500. Should County employees choose to remain with the KeyCare 15 plan, then such employees would be responsible for a higher percentage share of the costs. Should County employees choose the new deductible KeyCare 25/500 plan, then the employer/employee percentage breakdown would remain, whereby the employees would pay a lesser share. Regardless of what plan was chosen, County employees began paying more in monthly premiums last year. As a result of the employer/employee percentage cost shift with the two plans, most employees (264) migrated to the KeyCare 25/500 plan. Only (34) employees remained with the KeyCare 15 plan. All employees were advised that this year (FY '12-'13) would likely be the final year that the KeyCare 15 plan would be offered.

As the KeyCare 25/500 was a new plan which required a deductible and higher co-pay costs, the County instituted a one-time Health Reimbursement Account (HRA) which provides \$250 of a \$500 deductible. The County employee pays the first \$250, with the County paying the balance \$250 on a reimbursable basis. The following is a breakdown of the FY '12-'13 insurance plan rates and percentages:

Anthem Current Premiums KC15			7/1/2012		
	Monthly Premium	County %	County Pays	Employee %	Employee Pays
Employee Only	503.39	66%	332.24	34%	171.15
Employee Child	770.18	60%	462.11	40%	308.07
Employee/Spouse	1,057.12	60%	634.27	40%	422.85
Employee Family	1,409.50	60%	845.70	40%	563.80
Anthem Current Premiums KC25/500			7/1/2012		
	Monthly Premium	County %	County Pays	Employee %	Employee Pays
Employee Only	481.24	81%	389.80	19%	91.44
Employee Child	736.29	75%	552.22	25%	184.07
Employee/Spouse	1,010.61	75%	757.96	25%	252.65
Employee Family	1,347.48	75%	1,010.61	25%	336.87

**Step 2**

During the discussion of health insurance plans, rates, and contributions last spring, the Board requested staff to work with the County’s health care consultants on the feasibility of combining a group when receiving quotes for health insurance in FY '13-14. While the County has historically been combined with the Town of Rocky Mount, some thought was that some potential savings may be realized by adding the School System to the County group. Following a preliminary Feasibility Study presented by Patsy Akridge, County Health & Dental Insurance Consultant, the County, School and Town Boards all approved going out to bid for a combined Health and Dental proposal based on the potential premium savings and plan parity in combining all “groups”. The requests for proposals (RFP) called for plan rates for the dual



option of KC15/KC25 benefits and bids based on a 10/1/2011 – 9/30/2012 utilization timeframe. Ms. Akridge met with representatives from the County, Town, and School (the group) in December to review the projected response quotes. The bid numbers had a combined “group” increase average of 9.25%.

The group was concerned that the bid premiums were projected on utilization already 3 months old. The group requested Ms. Akridge to pursue additional numbers using updated utilization to get a more accurate accounting. In addition, Ms. Akridge was asked to have Anthem provide separate County, Town, and School 2013-2014 Health Insurance renewals based on their individual utilization. This was requested in case something happened and it was not in everyone’s best interest to pool all the employees into one large group.

In January, the group met to review the newly updated bids and corresponding premium increases. The County had some very high claims experience during the 2012 calendar year and finished the year with a 33.3% increase in claims, largely due to facility inpatient charges. This experience dramatically affected the County’s utilization period and the County’s projected increase from December on the combined group basis went from 7.8% to 14% for the actual renewal for the County/Town group to 20.6% with the Town exiting the County plan. This drastic change in the County’s utilization would negatively affect the overall increase in premiums for the Town and the Schools if they combined into one pool. The Town, based on their size and good utilization, decided to go with their own plan left the group. This left the County and the Schools in the group. The Schools did not make a determination at the time, but signaled to the group that combining with the County could be difficult this year as the School System utilization was still good in that the School System had not received an increase last year and that their insurance for the 2013-2014 based on current experience may be less than the combined group. The result of combining the County and School System into one group would have a significant, negative impact on the School System with increased insurance rates for the School System.

**Step 3**

Based on Anthem’s 20.6% increase to the County, the consultant recommended and staff subsequently agreed to go back out and bid the insurance separately with the updated utilization information. The KeyCare 15 plan was not included as such plan is no longer financially sustainable. As stated earlier, County employees were advised last year that the KeyCare 15 plan would likely not be offered in future years. The requested quotes in the RFP were then to be based on the 25/500 deductible plan and the higher deductible plans of 30/1000 and 30/2000.

County staff met with Ms. Akridge on March 12, 2013 to review the proposals received for the 2013-2014 fiscal year. The following proposal increases were received: Anthem 16.2%, Aetna 11.6%, Coventry 8.2%, Optima 23.2% and United Healthcare 34.9%. Based on increases and limited network(s), Aetna, Optima and United Healthcare were eliminated. Staff has reviewed Anthem and Coventry’s proposals for coverage that is comparable to our current 25/500 Plan. As stated, Coventry submitted the low bid (or the 8.2% increase) as compared with Anthem’s (16.2%).

**Step 4**

As much as offering a robust plan is a desired option, the only way to reduce claims experience is to shift more of the cost of health care to the ones that are consuming it, i.e., higher deductibles and copayments vs having the healthy employees pay a higher cost. In an effort to further reduce the escalating costs to the County, staff suggests offering dual plan options with varying employer/employee percentage contributions for each plan again this year. County employees would have the option of the 25/500 deductible plan with a decreased percentage contribution from the County and a 30/1000 higher deductible plan with a greater percentage contribution from the County. Please note the following charts with the varying costs / percentages based on the Coventry submittal for FY ’13-’14:

Coventry Option PPO25/500 w/ 76/70/70/70 Contribution Split					7/1/2013
	Monthly Premium	County %	County Pays	Employee %	Employee Pays
Employee Only	520.64	76%	395.69	24%	124.95
Employee Child	796.57	70%	557.60	30%	238.97
Employee/Spouse	1,093.34	70%	765.34	30%	328.00
Employee Family	1,457.79	70%	1,020.45	30%	437.34

Coventry Option 30/1000 Deductible Plan w/85/75/75/75 Contribution Split					
	Monthly Premium	County %	County Pays	Employee %	Employee Pays
Employee Only	493.81	85%	419.74	15%	74.07
Employee Child	755.52	75%	566.64	25%	188.88
Employee/Spouse	\$1,037.00	75%	777.75	25%	259.25
Employee Family	\$1,382.68	75%	1,037.01	25%	345.67

In summary, health insurance continues to be a large budgetary item for both the County and the employee. In addition, Healthcare Reform will be costing the County more each year. The County has and will continue to plan ahead to meet those challenges. Based on the consultant information to date, it appears the County’s path forward is not to combine health coverage with the Schools at this time; eliminate the Key Care 15 Plan (**note employees were advised last year that eliminating this plan was strongly being considered**), continue to offer a PPO 25/500 Plan and add a PPO 30/1000 Deductible Plan. These plans will offer employees a choice with varying contribution percentages and to ensure compliance with the Healthcare Reform potential requirements for 2014. Even with this recommendation, the employee share of a family plan will have increased by 21% since 2008 with significantly higher deductibles and out of pocket exposure.

**RECOMMENDATION:**

Staff respectfully requests Board approval to **not** combine Health Insurance Plans with the Schools for the 2013-2014 plan year, eliminate the KeyCare 15 Plan and approve the proposal from Coventry for a PPO 25/500 and a PPO 30/1000 Deductible Plan with varying contribution percentages accordingly. It is further recommended that the current \$250 HRA provided by the County be offered to those who move to the 30/1000 plan.

**(RESOLUTION #08-03-2013)**

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve Coventry as the County Insurance Carrier and to offer two health insurance plans 25/500 & 30/1000 and the County to add HRA funding in the amount of \$250.00 to both offered plans (with the first \$250.00 to come from the employee prior to HRA payment).

MOTION BY: Bob Camicia

SECONDED BY: Ronnie Thompson

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Brubaker, Camicia, Thompson & Cundiff

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**BUDGET WORKSESSION FOR GENERAL GOVERNMENT BUDGET**

Mike Burnette, Director of Economic Development, presented the handout regarding the recreational sports participation numbers for 2011-2013 for a two year comparison before and after the \$20 annual registration fee. You will see a significant drop in participation in all sports, except lacrosse. Please note that the Spring 2013 numbers are subject to change as we are still in the late registration period until March 29<sup>th</sup>.

Besides the annual registration fee I feel like there are two separate reasons for the drop in participation. In the fall we were using the old registration system, which was not equipped to handle recognizing if fees had previously been paid so we were not able to use that system for winter registrations and had to take all registrations by hand/mail. When citizens were not able to register online I think that hindered their getting the registrations in on time and once there was a \$15 late fee on top of the \$20 registration fee that was more than citizens may have been willing to spend. Then the implementation of the new online registration system in the spring presented a few challenges with registration but we feel confident that the next registration will go a lot smoother since folks will be familiar with the new system.

The second reason that I feel participation has dropped after the \$20 fee was instituted is that there were a large amount of participants who previously registered for free but never participated or quit after only a few weeks. I don’t have specific numbers, but coaches have told me that fewer participants have quit now that they have to pay a fee to participate.

I did not include Sandlot Football/Cheer in the comparison because they will fall under the 2012-13 membership for the fall season, which will be the first time Sandlot participants will be required to pay the fee.

I think we all knew that registrations numbers would take hit with a fee, but the change is not as large as I initially expected. I think we will continue to see numbers climb in the positive direction as citizens become familiar with the new fee system.

YOUTH ATHLETIC PARTICIPATION COMPARISON

	2011	2012	2013	% CHANGE	CHANGE IN PART.
Spring Baseball		497	442	-11%	-55
Fall Baseball	286	251		-12%	-35
Spring Soccer		883	636	-28%	-247
Fall Soccer	837	559		-33%	-278
Winter Basketball	1065	822		-23%	-243
Winter Cheer (BB)	179	64		-64%	-115
Spring Girls Lax		33	38	13% +	5+
Spring Boys Lax		38	56	32% +	18+
Spring Tee Ball		146	101	-31%	-45
Spring Fast Pitch Softball		312	250	-20%	-62
Wrestling	72	32		-56%	-40

FEES PAID FOR THESE SEASONS

TOTAL PARTICIPATION/SEASON			% CHANGE
Spring 2012 v Spring 2013	1909	1523	-20%
Winter 2011 v Winter 2012	1316	918	-30%
Fall 2011 v Fall 2012	1123	810	-28%

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SMITH MOUNTAIN LAKE COMMUNITY PARK BEACH COST/REVENUE FOR 2008-2013

Mike Burnette, Director of Economic Development, reviewed the following cost comparison:

SMITH MOUNTAIN LAKE COMMUNITY PARK BEACH  
COSTS/REVENUE FOR 2008-2013

YR.	# DAY S OPE N	AVG. # GUEST S PER DAY	YEARL Y GUEST S	SEASON AL MAINT. WORKER	LIFE GUARD COSTS	TOTAL STAFF COSTS	\$1.00 REVENU E	\$2.00 REV ENU E	\$3.00 REV ENU E	NET INCOME / (LOSS)
2008	90	150	14,101	\$1,800.00	\$32,400.00	\$34,200.00				(\$34,200.00)
2009	96	45	4,247	\$1,920.00	\$34,560.00	\$36,480.00			*\$14,070.50	(\$22,409.50)
2010	69	55	3,791	\$1,380.00	\$28,840.00	\$30,220.00			*\$10,951.50	(\$19,268.50)
2011	73	179	12,326	\$1,460.00	\$26,280.00	\$27,740.00				(\$27,740.00)
2012	92	178	15,662	\$1,840.00	\$33,120.00	\$34,960.00				(\$34,960.00)
2013	74	211	12,950	\$1,480.00	\$26,640.00	\$28,120.00	\$12,950	\$25,900	\$38,850	
2013- \$1	74	158	11,692	\$1,480.00	\$26,640.00	\$28,120.00	\$11,692			(\$16,428.00)
2013- \$2	74	105	7,770	\$1,480.00	\$26,640.00	\$28,120.00		\$15,540		(\$12,580.00)
2013- \$3	74	55	4,070	\$1,480.00	\$26,640.00	\$28,120.00			\$12,210	(\$15,910.00)

- \* In 2009 the fee was \$3.50 per person and this was actual revenue collected.
- \* In 2010 the fee was \$3.50 per person and a \$20 punch card was started to try and increase attendance. This was actual revenue collected.
- \* 2013 are all estimated/average numbers gauging on last year's participation. The three rows below show a drop of 25% in anticipated visitors per \$1 in fees.

As you can see the amount of days open play a huge role in the staffing costs of the beach. With the Franklin County Public School Calendar beginning school much earlier this year this will play a role in days of operation. Opening on weekends only while Franklin County kids are in school does lower the cost of operating the beach.

Seasonal Maintenance Worker- based on 2hrs per day x 7 days a week @\$10per/hr.

Lifeguards-based on 5 guards per 9hrs per day x number of days open @\$8.00per/hr. During weekdays we use 4 guards per day but on holiday weekends/peak times we use 6 guards per day.

The Board requested staff to revisit the per person fee implemented for additional revenue for utilization of the SML Community Park Beach.  
**(RESOLUTION #09-03-2013)**



BE IT THEREFORE RESOLVED, by the Board of Supervisors to implement a \$1.00/per guest fee for the use of the SML Mountain Lake Community Park Beach beginning 2013-2014 and \$2.00 fee for the fee in 2014-2015.

MOTION BY: Bob Camicia

**SUBSTITUTE MOTION:**

BE IT THEREFORE RESOLVED, by the Board of Supervisors to implement a \$2.00/ per guest fee for the use of the SML Mountain Lake Community Park Beach for 2013-2014 and \$3.00/ per guest fee for 2014-2015.

SUBSTITUTE MOTION BY: Charles Wagner

SUBSTITUTE SECONDED BY: Ronnie Thompson

VOTING ON THE SUBSTITUTE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Brubaker, Thompson & Cundiff

NAYS: Camicia

**SUBSTITUTE MOTION PASSED WITH A 6-1 VOTE.**

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**FY’13-14 NEW POSITIONS REQUESTED**

Richard E. Huff, II, County Administrator, reviewed and highlighted the following hand out of requested new positions for FY 13-14:

**FY 13-14 New Positions Requested**

Non Funded Positions Requested for FY 13-14 Budget		
Com. of Rev.	Salary increase	\$25,000
Info. Tech	New Part-time	\$18,000
Registrar	New Part-time	\$20,000
Clerk of Circuit Ct.	New Part-time	\$26,000
Sheriff's Office	4 New Full-time	\$33,808 each
Building Insp.	New Part-time	\$ 6,300
General Properties	New Full-time Secretary	\$26,052
General Properties	New Full-time custodial	\$24,114 (contract amount added to operations budget of \$30,000)
CSA	New Part-time	\$ 5,000
Westlake Library	New Part-time	\$15,856
Planning	New Storm Water Mgr.	\$36,000
GIS	New Part-time	\$ 9,000
Proposed Funding for New Positions FY 13-14 Budget		
Finance	New Part-time position	\$10,000
Info. Tech.	New Full-time position	\$33,500
Building Insp.	New Full-time position	\$17,500 (Hire in January)
Landfill	2 New Full-time positions	\$26,000 each
Parks & Rec.	New Full-time Director	\$60,000
Ec. Dev.	New Ag. Business Coordinator	\$20,800 (Grant match)

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**COMPARISON OF FRANKLIN COUNTY FUTURE DEBT SERVICE SCHEDULE/DAVENPORT**

Vincent Copenhaver, Director of Finance, shared with the Board a comparison of Franklin County Future Debt Service Schedule with a Davenport Financial Advisors Schedule as follows:

<u>TOPIC</u>	<u>COUNTY SCHEDULE</u>	<u>DAVENPORT SCHEDULE</u>
Current Borrowing Interest Rate	3.75%	3.00%
Future Interest Rate	FY 21-22 = 5%	FY15-16 = 4%, FY16-17 = 4 1/2% FY21-22 = 5%
Annual Debt Service	Straight Line, Same Yearly Payments	Variable Payments, Interest Only in Early Years, Greater Principal Payments In Out Years
Maximum Annual Debt Service	\$4.5 million	\$4.2 million
New Funds Required	FY14-15: One Cent on RE Rate FY16-17: Two Cents on RE Rate FY17-18: One Cent on	FY14-15: Two Cents on RE Rate FY18-19: One Cent on RE Rate FY23-24: Half Cent on RE Rate

RE Rate

Summary and Recommendation:

Continue to use both schedules as the County moves forward with Updated Project Costs, Interest Rates, and Borrowing Scenarios  
Keep Davenport involved as the County's Financial Advisor as Projects are Finalized and Debt Issuance Becomes Certain.

Franklin County, VA  
Scenario 1  
Structured Debt Service  
Current 1¢ Value: \$627,249  
Assumed 1¢ Growth Rate: 0%

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Fiscal Year	Existing County Debt Service	Landfill <sup>(1)</sup>	Parks, Rec, Aging Facility <sup>(2)</sup>	Social Services Building <sup>(3)</sup>	Burnt Chimney Waterline <sup>(4)</sup>	Railroad Station <sup>(5)</sup>	Business Park <sup>(6)</sup>	Public Safety Station <sup>(7)</sup>	Existing & Proposed Debt Service	Dollars Needed vs. FY 2013 <sup>(8)</sup>	Equivalent Penalties <sup>(9)</sup>	Cumulative Tax Increase <sup>(10)</sup>	Addition to Debt Reserve <sup>(11)</sup>	Cumulative Debt Reserve Balance <sup>(12)</sup>
2013	2,069,531	-	-	-	-	-	-	-	2,069,531	-	-	-	277,000	277,000
2014	2,068,077	-	-	-	-	-	-	-	2,068,077	(1,454)	-	-	-	400,538
2015	1,449,283	-	65,813	-	94,694	899,459	298,444	176,091	2,893,783	824,252	2.0	1,254,498	420,246	1,097,784
2016	1,137,620	-	64,325	-	93,844	903,781	296,531	174,497	2,580,598	511,067	-	1,254,498	749,431	1,851,215
2017	1,133,970	-	62,663	282,206	92,894	906,472	787,434	177,650	3,443,289	1,373,758	-	1,254,498	(119,260)	1,731,955
2018	994,734	876,372	65,572	286,303	96,666	906,144	790,722	175,350	4,193,912	2,122,381	-	1,254,498	(867,803)	864,072
2019	986,718	874,259	63,228	290,169	95,259	904,034	793,147	177,772	4,184,587	2,115,056	1.0	1,881,747	(233,399)	630,763
2020	821,522	875,406	65,696	288,731	93,741	904,941	789,088	174,903	4,813,938	1,944,497	-	1,881,747	(62,660)	568,103
2021	819,797	878,131	62,586	292,091	94,894	902,247	788,781	176,586	4,816,953	1,947,422	-	1,881,747	(65,675)	502,428
2022	607,056	875,834	64,103	300,053	94,831	902,188	1,072,081	177,691	4,093,837	2,022,306	-	1,881,747	(140,559)	361,869
2023	607,779	1,342,288	65,769	302,431	97,528	904,369	675,719	178,419	4,173,801	2,104,270	-	1,881,747	(222,523)	139,346
2024	242,313	1,544,584	65,753	304,441	94,867	903,913	792,663	178,416	4,124,929	2,053,398	0.5	2,195,372	139,974	279,320
2025	341,671	1,543,575	65,796	310,928	96,900	906,038	795,525	177,906	4,138,299	2,068,768	-	2,195,372	126,603	405,923
2026	340,568	1,549,341	65,503	316,528	93,825	903,241	791,291	177,141	4,137,437	2,067,906	-	2,195,372	127,466	533,389
2027	239,001	1,549,613	64,994	321,403	95,622	903,522	790,534	176,119	4,140,807	2,071,276	-	2,195,372	124,095	657,484
2028	239,755	1,551,875	64,228	325,766	97,163	906,625	793,625	174,841	4,153,877	2,084,346	-	2,195,372	111,826	768,510
2029	239,946	1,556,609	63,206	329,616	93,575	902,550	790,563	178,178	4,154,243	2,084,712	-	2,195,372	110,660	879,169
2030	-	2,521,700	61,928	435,263	94,859	-	791,347	176,131	4,081,228	2,011,697	-	2,195,372	183,674	1,062,844
2031	-	2,521,750	65,266	432,706	95,888	-	790,850	173,828	4,080,288	2,010,757	-	2,195,372	184,615	1,247,459
2032	-	2,521,000	63,219	434,509	96,659	-	789,072	176,141	4,080,600	2,011,069	-	2,195,372	184,302	1,431,761
2033	-	1,693,250	65,788	878,884	97,175	-	1,117,300	177,941	4,036,538	1,960,407	-	2,195,372	234,565	1,666,326
2034	-	1,693,600	62,972	875,319	97,434	-	1,110,150	174,536	4,033,831	1,944,300	-	2,195,372	251,071	1,917,397
2035	-	1,693,450	-	879,703	-	-	1,510,188	-	4,083,341	2,013,810	-	2,195,372	181,562	2,098,959
2036	-	1,693,650	-	876,909	-	-	1,487,156	-	4,057,716	1,988,185	-	2,195,372	207,187	2,306,146
2037	-	-	-	-	-	-	-	-	-	-	-	2,195,372	2,195,372	4,501,517
Total	14,139,341	29,354,288	1,287,697	8,763,959	1,910,297	13,557,522	18,462,260	3,529,875	91,005,239	-	3.5	-	-	-

**Debt Service Notes:**  
*All proposed new money debt service is assumed to begin in the fiscal year following the borrowing.*  
  
(1) Assumes the following:  
i. FY 2017 borrowing: \$8.3 million project cost; current market interest rates + 1.5%; 12 year amortization.  
ii. FY 2022 borrowing: \$5.3 million project cost; 5.0% interest rate; 10 year amortization.  
iii. FY 2029 borrowing: \$9.8 million project cost; 5.0% interest rate; 7 year amortization.  
  
(2) Assumes a FY 2014 borrowing: \$2,325 million project cost; current market interest rates; 20 year amortization. Debt Service figures are net of revenue from potential service fees (estimated to be \$96,000 annually).  
  
(3) Assumes a FY 2016 borrowing: \$5.2 million project cost; current market interest rates + 1.0%; 20 year amortization.  
  
(4) Assumes a FY 2014 borrowing: \$1,380,762 project cost; current market interest rates; 20 year amortization.  
  
(5) Assumes a FY 2014 borrowing: \$11 million project cost; current market interest rates; 15 year amortization.  
  
(6) Assumes the following:  
i. FY 2014 borrowing: \$3 million project cost; current market interest rates; 20 year amortization.  
ii. FY 2016 borrowing: \$9 million project cost; current market interest rates + 1.0%; 20 year amortization.  
  
(7) Assumes a FY 2014 borrowing: \$2,562,500 total project cost (\$1,625,000 for Glade Hill and \$937,500 for Westlake); current market interest rates; 20 year amortization.

**Cash Flow Notes:**  
(a) Dollars Needed (Column K) is equal to each fiscal year's debt service (Column J) - the FY 2013 debt service figure of \$2,069,531.  
  
(b) Addition to(Use) of Debt Reserve (Column N) is equal to Cumulative Tax Increase (Column M) - Dollars Needed (Column K).  
  
(c) Cumulative Debt Reserve Balance (Column O) is equal to the previous year's Debt Reserve Balance + Addition to(Use) of Debt Reserve (Column N).  
  
(d) The value of 1¢ is not assumed to grow above its current value of \$627,249.  
  
(e) Under the mentioned assumptions, equivalent penalties are estimated to be needed as follows:  
i. 2¢ in FY 2015;  
ii. 1¢ in FY 2019; and,  
iii. 0.5¢ in FY 2024.

Prepared by Davenport & Company LLC

3/8/2013

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COUNTY RAISES/COUNTY EMPLOYEES

Richard E. Huff, II, County Administrator, briefed the Board concerning the 3% raise built into the budget for County employees. Mr. Huff stated that allocating additional funding to the schools to implement raises for personnel, does not insure raises for teachers, or other school personnel since the School Board has the final authority for how they spend their appropriated budget.

General discussion ensued.

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PREPARATION FOR SCHOOL BOARD WORKSESSION

Mr. Huff discussed with the Board the School Energy Fund with the following sheet:

❖ New Money for Schools is a total amount of \$1,2010,112:

Operations	\$1,051,517
School Energy Funds	\$ 260,640
Canneries	\$ 955
Less Reduction in Debt Service**	(\$103,000)

\*\* Savings Being Applied to \$6.2 million Five Year School Capital Plan

❖ FY 03-04 ADM 7,125  
❖ Budgeted FY 13-14 ADM 7,160

❖ One Penny on Real Estate Rate = \$627,249.

❖ One Penny on Personal Property Rate = \$44,962 (does not include Heavy Machinery & Equipment

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**SCHOOL SAFETY/CAMERAS**

Richard E. Huff, II, County Administrator shared with the Board the following School Security Measures Update:

**Franklin County  
School Security Measures Update  
March 25, 2013**

In FY10-11, the Schools completed a project named ADA and Security Purpose Door Hardware Upgrades. This was an on-going project that spanned multiple prior fiscal years and all Schools in the County. County CIP funds combined with School carryover funds provided the funding for the project.

At the end of 10-11, all schools were complete. All exterior doors can be locked from one office in the school (turns off the power to the door) and the door can only be opened by staff with master keys. There are three master keys per school held by the Principal, Secretary and Head Custodian.

The current School Five Year Capital Plan (\$6.3 million) contains \$301,010 to install HD cameras in high profile areas including the high school, middle school, bus garage and Gereau Center. Recent events have impacted the initial assessment of camera placement and now the request is to install HD cameras in all elementary schools as well. An additional \$359,500 is requested for elementary schools and associated equipment and supplies.

The February 14, 2013 request (submitted) also includes:

Main Entrance Buzzer System for 15 Schools	\$26,550
Adding Peep Holes to Each Mobile Classroom Door	\$1,260
Change Mobile Unit Door Lever System – May Only Enter With a Key	\$9,660
Construct Barriers at Various Schools to Restrict Access to Classrooms, Gyms, Cafeterias, etc. Barriers would force Visitors Through Main Office	\$231,642

The items listed above as well as all the cameras total \$929,622. \$301,010 is currently available in the School Five Year Capital Plan leaving a balance of \$628,612.

The Board concurred with the funding to come from the Undesignated Fund Balance and to hold the Barriers for Phase II.

**(RESOLUTION #10-03-2013)**

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve the \$397,000.00 from the Undesignated Fund Balance for the school security cameras only.

MOTION BY: Bob Camicia

SECONDED BY: Charles Wagner

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Brubaker, Camicia, Thompson & Cundiff

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**SCHOOL BUSES**

General discussion was held on the purchasing of replacement school buses and the lack of funds being held in the School Budget for this purpose.

The Board stated they wanted to see the school bus funding stay on the County's Side of Accounting with the remaining \$340,000 for buses to remain in the balance.

The Board expressed their desire for school bus replacement funds of \$340,000 to remain under the control of the County in the County's Capital Fund.

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Chairman Cundiff recessed the meeting until Tuesday, March 26, 2013 @ 5:00 P.M.,@ The Franklin Center.

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DAVID CUNDIFF  
CHAIRMAN

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SHARON K. TUDOR, MMC  
COUNTY CLERK